## REMARKS

In the Office Action dated June 5, 2003, claims 1, 3, 4-6, 9, 10 and 11-15 were rejected under 35 U.S.C.§102(e) as anticipated by O'Neill et al., U.S. Patent No. 6,024,455. Claims 2, 7, 8, 16-18 and 20-24 were rejected as unpatentable under 35 U.S.C.§103(a) over O'Neill et al., U.S. Patent No. 6,024,45, in view of O'Callaghan et al., U.S. Patent No. 6,311,982. Claim 19 was rejected as unpatentable under 35 U.S.C.§103(a) over the O'Neill et al. in view of O'Callaghan et al. and further in view of Bloom, U.S. Patent No. 4,133,775.

Claims 1, 2, 19 and 20 were objected to due to informalities corrected with this amendment.

Claims 4-6, 8 and 11-16 have been canceled. New claims 25-33 have been added.

Claim 1 has been amended to recited the steps of exposing the light polarizing material to a light source, dividing light reflected from the indicia into a plurality of beams, filtering each of a plurality of the beams through a polarized filter, each of the filters being offset from each of the other filters by a predetermined angle, generating an electronic image from each of the filtered beams with a detector, comparing the electronic images to produce a composite image corresponding to the machine readable indicia, and electronically scanning the composite image to decode the indicia. The O'Neill et al. reference does not teach or disclose the combination of steps recited in claim 1, as amended. Rather, the O'Neill et al. reference is concerned with concealing a pattern or code except when illuminated and/or viewed a specific angles or view under specific conditions. Therefore, Applicant submits that the rejection under §102 should be withdrawn and that claim 1, as amended, along with dependent claims 3-4, 6, 7, 9 and 10 are allowable over the art of record.

In connection with the rejection of claim 1 based on the O'Neill et al. reference, Applicant notes that 37 C.F.R. 1.104(c)(2) states that:

(2) In rejecting claims for want of novelty or for obviousness, the examiner must cite the best references at his or her command. When a reference is complex or shows or describes inventions other than that claimed by the applicant, the particular part relied on must be designated as nearly as practicable. The pertinence of each reference, if not apparent, must be clearly explained and each rejected claim specified. (emphasis added).

Reproducing large blocks of text amounting to much of the patent, without further discussion, does not readily identify the parts relied on.

Turning to the rejection of claims 2, 7, 17, 18 and 20-24 under 35 U.S.C. §103(a) based upon the combination of O'Neill et al. and O'Callaghan et al. references, it is submitted that there is no teaching, suggestion or disclosure that supports the proposed combination of these references. O'Callaghan et al. is directed to an automatic system for acquiring and verifying information affixed to relatively flat articles transported along a path. O'Callaghan et al. is not directed to labeling methods and technology and does not in any way suggest utilizing a label formed from a polarizing material when other less elaborate and expensive labeling materials are available. O'Neill et al. does not suggest the desirability of using a database including a plurality of codes to apply different machine readable indicia to different ones of a plurality of articles. Consequently, there is no suggestion or motivation to combine the references in the manner suggested in the Office Action. Absent such a suggestion or motivation, the combination is improper. MPEP 2143.01. Further, "[a] statement that modifications of the prior art to meet the claimed invention would have been well within the ordinary skill of the art at the time the claimed invention was made because the references relied upon teach that all aspects of the claimed

invention were individually known in the art is *not* sufficient to establish a *prima facie* case of obviousness without some objective reason to combine the teachings of the references. MPEP 2143.01 (citations and internal quotes omitted).

No *objective* reason supporting the combination of the was presented in the Office Action.

Rather, the combination of the of O'Neill et al. and O'Callaghan et al. references appears to be nothing more than hindsight reconstruction, using the claims as a blueprint for combining the references.

Claims 17 and 18, reciting similar features are allowable for the same reasons set forth in connection with claim 2.

Claim 7, as amended, specifies the method of claim 1 further comprising generating an electronic image from each of the filtered beams with a charge coupled array. This step is not taught or suggested by the cited references.

Claim 9, amended to depend from claim 2, is allowable for the reasons set forth in connection with claims 1 and 2.

Claim 10 is particularly non-obvious, absent applicants' teaching that a transparent label can be used to minimize the visual impact of the label.

The rejection of claim 20 based on the combination of the O'Neill et al. and O'Callaghan et al. references fails for the reasons set forth in connection with claim 2, above. Further, neither, O'Neill et al. nor O'Callaghan et al., taken along or improperly combined teach or disclose (a) plurality of polarized filters for filtering polarized light reflected from a label including machine readable indicia comprising a polarized material on a surface of an article conveyed past the filters, (b) a detector associated with at least more than one of the filters for detecting reflected

light transmitted through one of the polarized filters and generating a signal in response thereto, and (c) a computer receiving signals from the detectors, the computer comparing the signals from the detectors and detecting a pattern corresponding to the indicia, the computer generating a sorting signal corresponding to the indicia. "To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art." MPEP §2143.03. (citations omitted). Since the cited combination does not teach or suggest all of the recited limitations, Applicant submits that claim 20 is allowable over the art of record.

Similarly, the cited combination does not teach or suggest: each detector being a charged coupled array (claim 21), each charged coupled array generating a digitalized electronic image from reflected light passing through one of the filters (claim 22), wherein the computer compares at least one of the digitalized images to at least one other different digitalized image to reproduce the machine readable indicia (claim 23), or comparing the digitalized images by subtracting pixels generated by the charged coupled arrays. Thus, it is submitted that claims 21-24 are also allowable over the cited combination.

Bloom, U.S. Patent No. 4,133,775, cited solely as teaching dichroic ink, does not correct the deficiencies of the O'Neill et al.- O'Callaghan et al. combination set forth above.

New claim 25 specifies the method of claim 1 wherein the step of comparing the images comprises subtracting a first digitalized image from a second digitalized image to obtain a difference represent the machine readable indicia, and decoding the indicia.

New claim 27 specifies the method of claim wherein the label is at least partially transparent, and the second material comprises a surface of a labeled article.

New claim 28 is directed to a labeled mail piece, comprising a mail piece having a cover with a decorative surface, a label at least partially transparent to visible light applied to the cover over the decorative surface, the label including a machine readable indicia comprising a light polarizing material, and a reflecting layer for reflecting light through the indicia. The labeled mail piece of claim 28 is not taught or suggested by the art of record. Therefore, it is submitted that new independent claim 28, along with new dependent claims 29-33, are allowable.

It is believed that no additional fees are due. However, if this is incorrect, please charge any additional fee to Deposit Account No. 50-1588.

Applicant has made an earnest effort to place the case in condition for allowance. In the event that the rejection of the pending claims is maintained, it is requested that the amendment be entered to clarify the issues on appeal. Favorable action and passage of the case to issue are respectfully requested.

Respectfully submitted,

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